

Message Text

PAGE 01 STATE 307508
ORIGIN EA-12

INFO OCT-01 EUR-12 ISO-00 USIA-15 PM-05 PRS-01 PA-02
/048 R

DRAFTED BY EA/P:STAFF:VDC
APPROVED BY EA/P:KNBAILES
DESIRED DISTRIBUTION
USIA/IEA:MSMITH

-----017249 271835Z /41

R 271721Z DEC 77
FM SECSTATE WASHDC
TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
AMEMBASSY MOSCOW
AMEMBASSY PARIS
INFO CINCPAC
COGARD
TREASURY
GOVGUAM

UNCLAS STATE 307508

ATTN PARIS FOR MARK PRATT

E.O. 11652: N/A

TAGS: SOPN, XC, US

SUBJECT: DECEMBER 27 EA PRESS SUMMARY

1. CHINA

NCNA SAYS PRC INDUSTRIAL OUTPUT UP 14 PCT. ALSO REPORTS
"FAIRLY GOOD HARVEST." CALLS PERFORMANCE "TURNING POINT
IN CHINA'S ECONOMIC CONSTRUCTION." SAYS MOST QUOTAS TO BE
MET BY END OF YR. INCREASES ALLOW PAY BOOSTS FOR 60 PCT
OF WORKERS. OIL OUTPUT REPORTED UP 8 PCT (UPI, NYT 12/27;
UNCLASSIFIED

PAGE 02 STATE 307508

AP, PHINQ 12/27). FOLLOWING WAGE HIKES, NCNA SAYS WORKERS
IN SHANGHAI SAVING IN INCREASING NUMBERS. DEPOSITS INCREASED
6.6 PCT, 400,000 NEW ACCOUNTS SINCE JANUARY. BUT FOREIGN
ECON ANALYSTS SAY ECONOMY IN WORSE SHAPE THAN EXPECTED DUE
TO DISRUPTION CAUSED BY LEFTIST EXTREMISTS OUSTED W/GANG
OF 4 (REUTER, NYT 12/27). NCNA REPORT CITES ECONOMIC
UPSWING FROM "STAGNANCY AND EVEN REDUCTION" CAUSED BY
GANG'S "SABOTAGE" (WP, 12/27).

SEN KENNEDY AND FAMILY ENROUTE TO PEKING. HOPES TO MEET

W/HUA KUO-FENG (WP 12/26; UPI, NYT 12/24; WSTAR 12/24).

UPI (HK) REPORTS HUA AND OTHER HI-RANKING PARTY OFFICIALS JOINED W/6000 OTHERS FOR FESTIVAL IN PEKING COMMEMORATING 84TH BIRTHDAY OF MAO (NYT 12/27).

AP (TOKYO) CITES JAPANESE REPORTS THAT SOME CHINESE WORKERS WILL RECEIVE YR-END BONUSES. BONUSES WILL GO TO SUPERIOR WORKERS. SUCH INCENTIVES ABOLISHED DURING GPCR (NYT 12/26).

REUTER (TOKYO) REPORTS 19-MAN CHINESE OIL MISSION WILL VISIT US EARLY NEXT MONTH. INDUSTRY SOURCES SAY TRIP COULD LEAD TO NEGOTS FOR SALE OF AMERICAN EQUIPMENT FOR DRILLING AND MINING (NYT 12/27).

CHINA HAS SIGNED AN ECONOMIC COOPERATION AGREEMENT W/KU-WAIT; CHINA TO PROVIDE TECHNICAL ASSISTANCE FOR PROJECTS NOT SPECIFIED IN NEWS REPORTS (WP 12/27).

2. KOREA

UPI (WASHINGTON) REPORT QUOTES ASSOCIATE OF TONGSUN PARK UNCLASSIFIED

PAGE 03 STATE 307508

THAT PARK COULD IMPLICATE "ONE OR TWO" INCUMBENT CONGRESSMEN AND 14 TO 18 FORMER REPS. SOURCE SAYS PARK HAS INFO THAT ABOUT HALF DOZEN REPS ACCEPTED 5000 DOLS OR MORE FROM SK. PARK CAN ALSO IMPLICATE AT LEAST ONE FORMER DEM HOUSE LEADER, ACCORDING TO INFORMANT (JOC 12/27).

ELEVEN POL PRISONERS JAILED UNDER '75 EMERGENCY DECREE AND 2248 OTHER PRISONERS PAROLED BY ROK IN CHRISTMAS AMNESTY (WSJ 12/27).

NYT (12/24) REPORTS GROWING COMMUNITY OF FOREIGN BANKERS IN SEOUL. SIX FOREIGN BANKS OPENED THIS YR, EIGHT MORE EXPECTED NEXT YR. GOVT OFFICIALS EXPLAIN INFLUX AS PRODUCT OF KOREAN PROSPERITY; SK ONE OF THE TOP 20 TRADING COUNTRIES IN WORLD. TWENTY-SIX FOREIGN BANKS NOW LICENSED; THIRTY EXPECTED IN FUTURE. BUT GOVT PLANS TO LIMIT FOREIGN SHARE OF TOTAL DOMESTIC BANKING TO 3 PCT (NYT 12/24).

3. PHILIPPINES

FORMER PHILS FONSEC RAUL MANGLAPUS, IN EXILE SINCE '72, SAYS CONSTITUTIONAL DEMOCRACY CAN ONLY RETURN TO PHILIPPINES IF MARCOS STEPS DOWN; ASKS US END AID TO PHILS (UPI, NYDN 12/27).

UPI (MANILA) REPORTS MOSLEM NATIONALIST REBELS STAGED

SURPRISE ATTACK ON CAPITAL TOWN OF JOLO ISLAND IN S PHILS.
ATTACK COINCIDED WITH ANNIVERSARY OF CEASE-FIRE AGREEMENT
SIGNED YEAR AGO BY LEADERS OF SEPARATIST MORO NATL
LIBERATION FRONT/PHIL GOVT. AUTHORITIES SAY MORE THAN
70,000 KILLED IN REBEL ATTACKS SINCE MARCOS DECLARED
MARTIAL LAW IN '72 (NYT 12/26).

REUTER (MANILA) REPORTS MARCOS WON OVER 89 PCT IN VOTE
OF CONFIDENCE ON MARTIAL LAW RULE IN 12/17 NATL
UNCLASSIFIED

PAGE 04 STATE 307508

REFERENDUM (NYT 12/26).

GUNMAN KILLED BY HOSTAGES IN BANK AT SUBIC BAY
IDENTIFIED BY PHIL AUTHORITIES AS PHIL BRILLO, AGE 30,
WHO HAD WORKED AT BASE SEVEN YRS (WP 12/24).

4. AUSTRALIA

THREE GUARDS/3 INMATES INJURED IN A THREE-HR RIOT AT ONE
OF AUSTRALIA'S BIGGEST MAXIMUM SECURITY JAILS. ESTIMATED
COST OF DAMAGE 568,000 DOLS (WP 12/27).

5. MALAYSIA/AUSTRALIA

JOC (UNICOM NEWS KL) REPORTS MALAYSIAN TRADE AND
INDUSTRY MINISTER WARNED AUSTRALIA THAT MALAYSIA MIGHT
TEAR UP SUGAR CONTRACT IF REQUEST FOR PRICE REDUCTION
NOT GRANTED. UNDER PRESENT CONTRACT, MALAYSIA TO
PURCHASE 330,000 METRIC TONS OF AUSTRALIAN SUGAR UNTIL
'80 AT ALMOST TWICE CURRENT WORLD PRICE. MALAYSIA
PROPOSES REDUCTION OF ABOUT 25 PCT (12/27).

6. MALAYSIA

MCCUE (WSJ, KL) REPORTS MALAYSIAN TIN PRODUCERS GIVE
COOL RECEPTION TO GOM INCENTIVES TO INCREASE PRODUCTION.
UNLESS GOM OFFERS MORE ENCOURAGEMENT, INDUSTRY WILL GO
"ON THE DECLINE" SAYS HEW SEE TONG, A TIN PRODUCING
OFFICIAL. GOM PROGRAM SUPPOSEDLY DESIGNED TO ENSURE THAT
MALAYSIA REMAINS WORLD'S LARGEST TIN PRODUCER (12/27).

WSJ SPEC (KL) REPORTS BANK RAKYAT HAS AGREED TO BUY OUT
THE 45 PCT SHARE HELD BY CITIBANK IN JOINT VENTURE.
UNCLASSIFIED

PAGE 05 STATE 307508

CITIBANK DECIDED TO W/DRAW FROM VENTURE AS RESULT OF
BANK RAKYAT'S SUIT AGAINST THEM FOR PROMOTION OF ALI-
BUGNER '75 FIGHT, WHICH BANK RAKYAT FEELS LED TO ITS
CURRENT FINANCIAL PROBLEMS (12/27).

7. JAPAN

CULLISON (JOC) REPORTS CABINET APPROVAL OF 141.7 BILLION DOL BUDGET. REVENUE SHORTFALL EXPECTED TO BE MET BY 45.3 BILLION DOLS IN BOND ISSUES. BUT DESPITE GOVT'S REVISION OF BUDGET TO MEET PLEDGE TO US OF 7 PCT REAL GROWTH, CULLISON REPORTS WIDESPREAD OPINION THAT MASSIVE ADDITIONS OR DRASTIC CHANGES IN BUDGET MUST BE MADE IF JAPAN TO REACH TARGET (12/27).

GOJ TRANSPORT MIN HAS TURNED DOWN PANAM PROPOSAL TO INSTITUTE BUDGET FARES BETWN US AND JAPAN (UPI, NYT; WSTAR 12/24; WSJ 12/27).

KYODO NEWS SERVICE (TOKYO) REPORTS JAPAN WILL PREPARE REPLY TO LATEST US PROPOSALS ON IMPORT OF FARM PRODUCTS BY WED (WP 12/24). FOUR LDP MEMBERS EN ROUTE TO WASHINGTON TO DISCUSS THE US PROPOSALS (WP 12/27).

FONMIN ANNOUNCES JAPAN WILL SIGN '77 INTL SUGAR AGREEMENT DESIGNED TO STABILIZE WORLD SUGAR PRICES (WP 12/24; UPI, JOC 12/27).

JAPANESE CHARGE IN VIENTIANE FOUND SLAIN IN EMBASSY RESIDENCE THERE (WP 12/26).

KENNEDY TRIP TO ASIA TO INCLUDE STOP IN HIROSHIMA WHERE HE IS EXPECTED TO MAKE SPEECH ON ARMS CONTROL (WSTAR 12/24).

JAPANESE FONMIN DOCUMENTS CONFIRM THAT SGT HHATKINSON UNCLASSIFIED

PAGE 06 STATE 307508

ONE OF 17 US POWS KILLED IN HIROSHIMA A-BOMB BLAST. US GOVT HAD TOLD FATHER ONLY THAT SON KILLED IN ACTION (WSTAR 12/24).

8. VIETNAM

HANOI ATTACKS CARTER'S HUMAN RTS POLICY. SAYS ITS CHIEF PURPOSE TO "SOW DISCORD AMONG COMMUNIST COUNTRIES AND DRAW DEVELOPING COUNTRIES UNDER US INFLUENCE." QUESTIONS MORAL AUTHORITY OF US WHEN IT IGNORES QUESTION OF WAR REPARATIONS FOR VN (WP, HK 12/27). CARTER'S UPCOMING 6-NATION TOUR ALSO CRITICIZED AS ATTEMPT TO "THROW HIS WEIGHT AROUND." HANOI SAYS US BENT ON RECRUITING ALLIES FOR INTERVENTION IN OTHER COUNTRIES (AP, NYT; WSJ 12/27).

NYT AND WSTAR (12/24) REPORT THAT THE UN DEVELOPMENT PROGRAM WILL REOPEN OFFICE IN VIETNAM NEXT MONTH. UNDP HAS HAD NO OFFICE IN VN SINCE COMMUNIST TAKEOVER IN 4/75.

PROGRAM HAS ALLOCATED 44 MILLION DOLS FOR VN THROUGH '81, ADDED TO NEARLY 5 MILLION DOLS THAT REMAINS FROM FUNDS ALLOCATED TO SVN THROUGH '76.

9. VIETNAM/LAOS

IN LTR TO PRES CARTER, REPS JONATHAN B BINGHAM (D-NY) AND DONALD M FRASER (D-MINN) URGED EMERGENCY GIFT OF FOOD TO VIETNAM/LAOS. SAID SUCH ACTION WOULD BE "IN SPIRIT OF CURRENT HOLIDAY SEASON AND AMERICAN TRADITION OF HUMANITARIANISM." THE TWO HIRC MEMBERS SAID BOTH COUNTRIES ARE SUFFERING SERIOUS FOOD SHORTAGES AS RESULT OF DISASTROUS WEATHER CONDITIONS AND AFTER-EFFECTS OF WAR (WSTAR 12/24).

UNCLASSIFIED

PAGE 07 STATE 307508

10. THAILAND/VIETNAM

WP AND NYT (REUTER BANGKOK) REPORT THAI DEP COMMUNICATIONS MIN PRASIT NARDEJ TO GO TO HANOI FOR NEGOTS ON AGREEMENT TO ALLOW THAI CIVIL AVIATION TO OVERFLY VIETNAM (12/27).

11. THAILAND/CAMBODIA

UPI (BANGKOK) REPORTS CAMBODIAN BORDER RAIDS ON THAILAND HAVE HALTED IN RESPONSE TO THREAT OF HEAVY THAI MILITARY RETALIATION. THAI PM KRIANGSAK CHAMANAD SAID HIS COUNTRY WOULD STRIKE BACK HARD IF CAMBODIAN ATTACKS CONTINUED, BUT APPEALED FOR NEGOTS TO END FIGHTING. SWEDEN'S AMB TO THAILAND SAID TO BE TRYING TO MEDIATE DISPUTE OR ARRANGE MEETING BETWN TWO COUNTRIES (NYT 12/24).

COMMENT AND ANALYSIS

12. JAPAN

NYT EDIT CALLS US REACTION TO JAPAN'S HUGE TRADE SURPLUS "TOO BLUNT AND TOO PANICKY" AND UNHELPFULLY REMINISCENT OF AN ULTIMATUM. CHARACTERIZES SIZE OF SURPLUS AS PRODUCT OF GENERAL HEALTH OF WORLD ECONOMY RATHER THAN TRACEABLE TO SPECIFIC PRACTICES ON EITHER SIDE. SUGGESTS JAPANESE TRADE SURPLUS W/US PROBABLY INEVITABLE AND, FROM STAND-POINT OF CONSUMER, DESIRABLE. WRONG TO LOOK AT BILATERAL ACCOUNTS RATHER THAN OVERALL TRADE BALANCES. TIMES WELCOMES GOJ COMMITMENT TO 7 PCT GROWTH, HOWEVER, AS BENEFICIAL TO ENTIRE INTL ECONOMY. CALLS FOR LIBERALIZED JAPANESE IMPORT POLICY, ALTHOUGH SUGGESTS THAT CHIEF BENEFICIARY OF SUCH A MOVE WOULD NOT BE US, BUT RATHER SK, PRC, BRAZIL, NZ, AND AUSTRALIA (12/27).

OFUSA (NYT) SAYS JAPAN HAS A PROBLEMATIC DECISION: WHAT
UNCLASSIFIED

PAGE 08 STATE 307508

TO DO ABOUT ITS EXCESS SHIPBUILDING CAPACITY. NOW HAS
TWICE AS MANY SHIPYARDS THAN NEEDED TO FILL DWINDLING
ORDERS. CITES INCREASING LABOR COSTS, PROLONGED
RECESSION, AND SHARP APPRECIATION OF YEN AS FACTORS
IN MAKING JAPANESE SHIPBUILDERS LESS COMPETITIVE AND TO
ACCOUNT FOR REDUCTION IN ORDERS (12/27).

MARQUIS CHILDS (WP 12/27) SAYS ONLY REAL SOLUTION TO THE
STEEL PROBLEM (CHARGES OF JAPANESE DUMPING, US DEMANDS
FOR PROTECTION) IS ANOTHER GATT. IF TALKS DO NOT OCCUR,
CHILDS FORESEES BEGINNING OF "DIRE PROTECTIONISM" THAT
COULD AGAIN SPELL WORLDWIDE DEPRESSION. VANCE

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 22-Sep-1999 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS SUMMARIES, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE307508
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:VDC
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Expiration:
Film Number: D770482-0397
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197712111/baaaaeuuc.tel
Line Count: 291
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: cef65dfc-c188-dd11-92da-001cc4696bcc
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 119905
Secure: OPEN
Status: NATIVE
Subject: DECEMBER 27 EA PRESS SUMMARY
TAGS: SOPN, XC, US
To: ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS MOSCOW MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cef65dfc-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009